

The Times-Mirror Co.: Spreading Into the Knowledge Industry

The Los Angeles Times is only half the Chandler story—actually, less than half. Before 1960, the Times was the financial backbone of the Chandler fortune, but in the year just completed, the paper produced only 48 per cent of the estimated \$255 million its parent firm, the Times Mirror Co., rang up. White-haired family patriarch Norman Chandler, 65, turned over the Times six years ago to his son, Otis, and has since led the Times Mirror Co. into the publishing industry's most aggressive program of expansion and diversification. So far TM has acquired no fewer than thirteen new companies. It publishes everything from novels to telephone books. "We just wanted to spread out into the knowledge industry," says Chandler, TM's chief executive officer. Some examples of TM's spread:

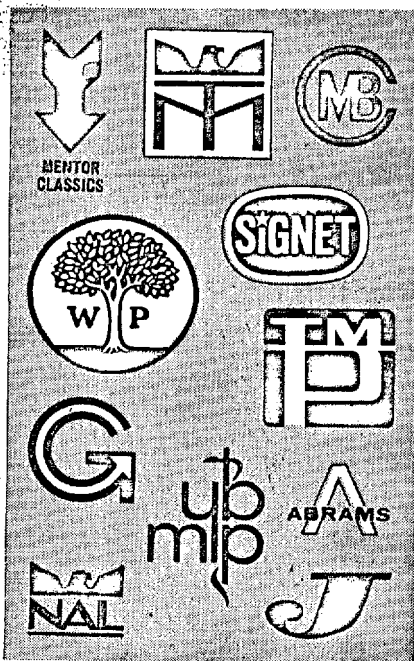
■ **NEW AMERICAN LIBRARY** (acquired 1960)—NAL under TM management has become the nation's biggest publisher of paperbacks and at the same time entered the hardcover field. Recent hardcovers include the best seller, "The Boston Strangler," by Gerold Frank. The subsidiary's principal paperback imprints are the school-oriented Signet and Mentor series, but NAL was boosted to the top by Ian Fleming, whose James Bond books have sold more than 10 million copies. Later this year, NAL will bring out the paperback edition of Truman Capote's "In Cold Blood" (first printing: 1 million copies). Capote received \$500,000 for the rights.

■ **WORLD PUBLISHING COMPANY** (1963)—World is the nation's leading publisher of Bibles. The firm also publishes more dictionaries than any house but G. & C. Merriam Co. In addition, World puts out the Meridian line of paperbacks on philosophy, theology and history. World is based in Cleveland, and with typical TM hustle it published last month "Endure and Conquer," Dr. Sam Sheppard's recounting of his trials.

■ **JEPPESEN & CO.** (1961)—The sky appears to be the only limit for Jeppesen. It publishes aeronautical charts and flight information manuals for commercial and private pilots—and its sole competitor is the Federal government. Like all good TM subsidiaries, Jeppesen keeps an eye on the exploding educational-services market. It supplies map products to text and encyclopedia publishers.

instituted a program of pilot education. The company is a relatively small part of TM—\$6.8 million in revenues in 1965—but according to one Wall Street analyst, "it should be one of the fastest growing."

■ **HARRY N. ABRAMS, INC.** (1966)—Art book publisher Harry Abrams sold his firm to TM last April because "with the cultural boom in art we didn't have enough money to do what we wanted." Under TM, the 61-year-old Abrams has already doubled his yearly output to 50 books. On his fall list: "The Flowering of Art Nouveau," by Maurice Rheims, and "Modigliani,"



Chandler colophons: Spells cash

by Alfred Werner. Contracts have also been signed with university professors for a series of art textbooks.

■ **NEWSPAPERS**—Besides The Los Angeles Times, TM also owns three other newspapers. In 1962, it bought the Daily Pilot, which serves six communities with seven editions (total circulation: 32,611) in populous Orange County south of Los Angeles; in 1964, TM purchased the San Bernardino morning Sun (circulation: 57,024) and evening Telegram (circulation: 16,480). All three papers claim they are editorially independent of the Times. The Sun and Telegram, for example, endorsed Democratic Gov. Pat Brown instead of the Times's

They told us to run the paper the way we wanted to," says San Bernardino editor G. David Ackley, "and that's what we do."

■ **ODDS and ENDS**—The H.M. Gousha Co. (1961) prints road maps and atlases; Matthew Bender & Co. (1963) offers legal treatises and tax works; Year Book Medical Publishers, Inc. (1965) offers textbooks for medical students. The Cardoza Bookbinding Co. in San Francisco is the largest private bindery west of the Mississippi. And left over from the old days are The Times Mirror Press in Los Angeles which prints telephone books for 284 communities including Phoenix, Denver and Las Vegas; Publishers' Paper Co. in Oregon, which turns out everything from newsprint to napkins and is building a \$27.5 million mill; Eaton's restaurant near Santa Anita racetrack and the Palladium, a Hollywood ballroom.

The Chandlers refuse to divulge the earnings of TM subsidiaries, but all firms were making money when TM bought them and most are making more now. In the six years since the acquisition program began, TM's net profits almost tripled to an estimated \$19 million in 1966.

Big Board: And all that may be just the beginning. TM was listed on the New York Stock Exchange in 1964, and is now the second largest publicly owned publishing empire in the country (Time Inc. is the largest). Selling at twenty times earnings, TMS, as it is listed on the Big Board, has consistently outperformed the market, recently split two for one and last week closed at 37½.

Lured by shares of high-rising TMS, companies offer themselves to the Chandlers for corporate embrace at the rate of one a day. Fast-talking Albert V. Casey, TM president, says the offers come in so fast TM keeps a printed catalogue alphabetically listing companies for sale and their price. Currently, TM is seriously investigating at least a half-dozen deals including a "specialty" magazine in New York. And Norman Chandler allows that if U.S. News & World Report were to come onto the market—the magazine's stock is owned by its employees—"we would take a long look at it." Indeed, long looks—and long leaps—seem to characterize the Times Mirror Co. these days. "If we're not over a half billion in revenues in a few years," says son Otis Chandler, "I'll be very disappointed."

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